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ABSTRACT

If consumer educators are going to survive in their field, they're going to have to be (1) selective, (2) very knowledgeable of their specialization, (3) and willing to use both traditional classroom educational methods and some of the newer techniques. Because consumer problems have become so pervasive and complex, it becomes necessary to concentrate education on the most widespread and serious problems: heavy installment buying at high finance charges, large medical expenses due to inadequate insurance, rising fees, and lack of knowledge of free or low-cost care, heavy housing expenses, high food costs, transportation expenses, lack of knowledge of community resources, lack of understanding of how to manage money and do long-range planning, and need for guidance in rights and responsibilities to prevent costly legal problems. A major difficulty in consumer education is finding impartial experts and materials to deliver truly useful information. Teachers must be aware of the limitations of materials produced by business interests, government, commercial magazines and newspapers, and even costly educational services producing filmstrips, textbooks, and other literature. Each must do his own screening and choosing. Some useful nontraditional teaching methods include discussion of legislative issues and formation of buying clubs. (JT)

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HOW TO SURVIVE

IN CONSUMER EDUCATION

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HOW TO SURVIVE IN CONSUMER EDUCATION

I am grateful for this opportunity to talk to the first project directors' conference sponsored by the Consumers' Education Program. This is an urgently needed pioneering national effort that I am certain is going to produce very useful results and have an increasingly important influence on the welfare of consumers and on our national economy.

The diversity of the projects funded by this program is especially striking and this is the program's great strength. I've spent almost 40 years in various forms of consumer education and my own experience is that there is no one single type of consumer. The public is made up of different groups of consumers who have special needs and require distinctive approaches to helping solve their problems. Senior citizens, teen-agers, industrial workers, low-income families, minority and ethnic groups, city families and rural dwellers, handicapped people, all do share basic consumer problems such as high food prices but they also have unique information and service needs in medical care, transportation, housing. legal care, government services, debt overloads, etc.

Thus, I think that the different projects, aimed at different groups and trying out different methods, are bound to develop replicable materials and useful experiences and insight into effective methods and approaches for different groups.

As immediately useful as the services flowing from these projects may be to their communities, another value is what the country as a whole is going to learn about specific information and service needs. We'll learn as much from the people being educated as they will from us.

To my mind, there are few more worthwhile educational efforts in this age of widespread consumer problems with their often-harmful effects on individuals and families, and on our national economy and community life. As we are coming to realize, a waste of personal and family resources is, on a large scale, a waste of national resources. To me, this is the truly compelling reason why we need expert, effective consumer education. In almost every area of consumer expenditure noticeable waste of resources is taking place.

In undertaking these exploratory projects you have become the leading edge of a growing national effort to redress the damaging imbalance between sellers and consumers that has developed in the past 30 years as the result of a number of events.

The fact is, consumer exploitation has become quite as serious as labor exploitation. I tried to think of a more judicious word than exploitation, and if you can do so, by all means substitute it. The fact is we have strong unions and laws to protect people in their capacities as workers, but only now are we beginning to develop the organizations and legislation to protect people as consumers.

In some areas of consumer spending, exploitation is not too strong a word. Installment buying and borrowing often are marked by exploitation. So are some of the practices that go in the insurance business, used car business and other industries.

But even in areas where there's no outright exploitation, the consumer has become a lost lamb in a merchandising maze.

One reason is the development of television as a very effective and quite amoral high-pressure selling medium. Another is the proliferation of goods that has made buying a kind of financial roulette.

As one of many examples, in 1966 there were 1,100 tires of different brands and quality on the market. Now there are some 1,700 different models, grades and brands, and most of them in 12 to 15 different sizes. If you go to buy a TV set, you'll will find actually over 400 different models, brands and sizes. In kitchen ranges we counted over 300 different models. One large retailer will offer 30 or more different models of just one brand. Ten years ago a leading mail-order house offered three different grades of washing machines. Today it has eight.

Take fabrics. With the development of synthetic fibers and the many blends of these with natural fibers in varying percentages, there must now be several thousand different fiber blends, weaves and finishes on the market. In carpeting, too, instead of just wool, cotton and rayon, there are now over 30 different natural and synthetic fibers and blends of these of these in different grades.

Or food. We no longer buy simple food but highly processed products under invented names at high prices and often with added cheap ingredients like sugar and water. In fact there's so much water in many of the modern processed foods that you begin to realize why there's a water shortage in some parts of the country.

So you can see, consumer education is not a simple matter, certainly not as simple as some would-be educators seem to think when they offer the public such platitudes as, buy day old bread and don't go shopping on an empty stomach.

In fact, a little consumer education without going the whole way can be a dangerous thing. In a supermarket recently a girl about 12 and her brother about 8 headed for the fruit juice aisle. The little boy reached for a bottled grape juice. "No," his sister admonished. "This big can has more ounces for the same price." I complimented her, and she proudly said she had learned how to compare prices in a consumer education course at school. But then I noticed that the big can was merely the diluted grape "drink" which is only 10 percent juice, while the bottled product was 100 percent juice. The little boy's untrained instinct was more accurate than his sister's incomplete training.

If you're going to survive in consumer education, you're going to have to be (1) selective, (2) very knowledgeable in your specialities--your own expert as it were--and (3) use both traditional classroom educational methods and some of the newer educational techniques such as buying clubs and discussions of legislative issues, in an impartial way, of course.

Because consumer problems have become so pervasive and complex, it becomes necessary to concentrate education on the most widespread and serious problems. Here are what I consider to be several of the leading consumer problems crying out for education or a combination of education and legislation, as gleaned from my own observations, and those of community service, family-agency and other counselors.

1) Heavy installment buying at high finance charges is a leading problem. Not only does this often lead to serious overindebtedness, and the now-familiar train of garnishees often followed by supervised debt adjustment plans and often after that by bankruptcy.

But even among families who don't become seruously overindebted, constant payment of large finance charges on installment purchases frequently results in an habitual loss of perhaps 4 to 5 percent of a family's entire income.

2) Large medical expenses due to (1) inadequate health insurance compared to today's rising medical and hospital fees, and (2) lack of knowledge of free or low-cost community resources for getting medical care. Large medical bills also happen to be one of the leading causes of garnishees and wage-earner bankruptcies.

3) Heavy housing expenses because of high rentals, high prices of new homes being built today, and unexpectedly large operating costs, including now the highest fuel and utility bills on record which are certain to cause real problems for low and moderate-income families this winter.

4) Food costs are another leading problem, not only because of poor management by many families, but because food prices have risen sharply in the past five years. Food often takes 25-30 percent and sometimes more of a moderate-income family's income. Thus knowledgeable food management and shopping must be an important part of consumer education if families are to satisfy their other needs for adequate housing, medical care, children's education, and so on.

Some moderate-income families are excellent food managers and can give lessons to some of the teachers. Much of the information being handed out in this area is generalized and superficial. Consumers need frank penetrating information about the exaggerated prices of some modern processed foods; about how to read labels so they know what they're buying, or at least as much as the labels let them know; and also the true facts concerning some of the nutritional myths that sometimes keep moderate-income families from using some of the low-cost alternatives such as margarine, nonfat dry milk, and the lower grade of meat.

5) Transportation costs have become the third largest expense in the average family's budget. Consumer education should concern itself with economical driving habits and the care of cars as well as the use of carpools, transportation co-op, etc.

6) Another problem that requires preventive education is lack of knowledge of community resources, not only of medical care and community recreation facilities, but of many types of available community resources such as veterans benefits, vocational guidance and educational assistance for children and others.

7) Lack of understanding of how to manage money and do long-range planning is noticeable in many families. Actually, families in the $12,000-$16,000 bracket suffer from this problem as much or more than low-income families.

It is especially hard for a family from a deprived background, or only a generation away from the non-cash economy of the farm, or who have many unmet emotional and economic needs, to resist the pressures of credit sellers. Easy credit becomes a way of escaping deprivation, but only temporarily, especially when deception is involved and the laws are on the side of the sellers and lenders, with even recent improvements in the credit laws, such as Truth in Lending, still hard to police.

8) Another urgent need is for legal clinics and other forms of guidance which will educate consumers in their rights and responsibilities so that they avoid costly legal problems before they happen. Young adults need such legal education before they reach the age of majority, now 18 in most states, Bankruptcy referees say they often find young couples in their courts even before the engagement ring is paid for. But legal coaching also is needed by the large group of moderate-income wage-earners with too much income to qualify for free legal aid and too little to afford costly private counsel.

Revealingly, some surveys indicate that about a fourth of the caseloads of the group legal services plans now springing up around the country involve consumer problems such as contract and warranty disputes, product performance and landlord-renter disputes.

One barometer I use to establish my own priorities for research and delivering information is reader inquiries. You've had distributed to you a list of the most frequent inquiries I've received in the past few months. But besides frequency, the severity of the problems reported by consumers is another gauge. Thus, the raw count shows we received even more inquiries about vitamins and health foods than about credit problems. But the credit problems often cause serious predicaments while the vitamin inquiries were temporarily stimulated by the recent controversy over whether the FDA should try to regulate some of the vitamin promotion that goes on.

Interestingly, concern over food prices and quality, which usually were in second place in previous tabulations, have jumped into first place. Questions about insurance are in first or second place year after year, and especially, questions and complaints about medical insurance.

Nor do I think that the number of inquiries about tenant problems fully reflects yet the growing number of disputes reported by consumer organizations as both rents and landlord-tenant tensions rise.

My own list does not reflect so far the growing tensions between consumers and utility companies and state commissions over rising rates, controversial methods of setting rates, and other issues such as mandatory deposits.

In connection with rising utility and fuel costs, education and information are needed among low-income and elderly groups on federal and state aids available for weatherproofing homes and even for paying for fuel. Problems of housing repairs, disputes and even deceptions, also are a perennial source of complaints and inquiries, and so are a needed area of consumer education.

While it's not too hard to figure out your priorities, especially if you consult the people you seek to educate, what's really difficult in consumer education is finding impartial experts and materials to deliver truly useful information. Methods are only part of the problem. Much effort and funds are being devoted to developing film strips, consumer films, various other materials, with much debate about specialized courses vs. multidisciplinary programs, etc. Frankly, I'm as much concerned over the content of consumer education as the method of delivery.

With all these education problems to try to solve, dependable resources are not always easy to find. I have often wondered in recent years, who will teach the teachers? It's encouraging that some of the projects funded by the Consumers' Education Program are aimed at training consumer education teachers, and at least one is training community and agency representatives who are in frequent contact with low income and elderly clients.

The truth is that sometimes the people supposedly being consumer-educated know more than their teachers. I always remember an eager young social worker telling an audience of retired auto workers at a New Jersey senior citizens center, that they could save money by cooking at home and cleaning clothes at home instead of using a dry cleaner, and so on. A retired shop steward sitting in the front row shook his head wearily and said in a stage whisper, "If we hadn't been doing that all our lives we wouldn't be here today."

Another problem is that much of the materials used in schools is supplied by industry. Some is useful, but much is so generalized as to be platitudinous. Some also is noticeably self-serving as in some of the materials from credit companies encouraging the use of credit.

Significantly, business interests sometimes are a major proponent of consumer education. Especially when some form of consumer legislation has been proposed, business spokesmen are apt to say, "We don't need more laws, we need consumer education." This, of course, is a red herring. Consumer education by itself can hardly solve all the problems. A debate over legislation often is an effective form of consumer education, as in the long discussion that preceded passage of the Truth in Lending law. On the other hand, of course, legislation won't work well without educating consumers in what it does and doesn't do as shown by the not-wholly effective functioning of the Truth in Lending law and of local unit pricing laws.

Not even all information that comes from the government is really useful. Some is excellent, some is too generalized to be much help or may be overly concerned about commercial interests as in efforts to justify convenience foods and also to justify high food prices.

One problem is that the agricultural experiment stations at Beltsville and in the various states no longer do the kind of research on housing, clothing and appliances they once did. The county extension services and home economics schools of the state and land grant universities still are a prime source of information. But while most give useful advice in some areas as in clothing and home maintenance, they may not always be wholly satisfactory, from the consumer point of view, for food information because of their ties to agri-business. Or they may be merely superficial, as in advising that the first step in buying insurance is to get a "good agent," whatever that is.

Increasingly the commercial magazines and newspapers are sources of information, and it is more useful and candid information than it once was. But the teen-age magazines can be quite manipulative, as much so as the disc jockeys. The sexuality of ads in teen magazines is even more noticeable than in merchandise promoted for adults. Parents also are schocked when they see the many ads in teen magazines for diamond engagement rings costing as much as $5000 and the many cosmetics ads and articles. While teen-age girls comprise about 10 percent of the female population, they account for over 20 percent of all spending for cosmetics.

Consumer educators also are besieged today by a great many new services and materials, some of them very expensive, including film strips, slides, pamphlet series, textbooks and other literature. I am no expert on visual teaching methods. Nor have I reveiwed even most of the new materials on the market. But I can testify that some of those I have seen simply repeat timeworn platitudes about shopping and budgeting. While some of the basic information may still be needed for some student groups, I wouldn't try it out on any experienced consumer groups, and even less would I spend much money on it or replicate it all over again.

The real reason why I emphasize the varying dependability of some of the sources of speakers and materials, is to try to convince you that you're going to have to be your own screening agent and resident expert and connoisseur of consumer information. We need a study committee to try to evaluate various consumer materials, not merely list them. But there isn't any. I wouldn't even wholly rely on the various consumer bibliographies that have appear in recent years. Some of the organizations and agencies that developed them handed the job to a librarian and he or she went to the card catalog and listed all the titles that had the word consumer.

I think the first steps in choosing materials and sources is to do a great deal of reading of the consumer literature, critical reading in fact, and to ask consumers themselves what their problems and needs are; and also to get out to the stores and study the ads and TV commercials to see what problems you can observe.

I've prepared a list of consumer information sources that I use. By no means is this a complete list but it is a start. Note some of the qualifying remarks on the list. You can't generalize that all supermarket managers, all car dealers, all insurance agents, can give you and your group or classes dependable advice. Some can and will. You have to become expert enough yourself to tell, or find local people who can tell you what sources and individuals in your area can give your groups impartial advice.

I suggested earlier that some nontraditional educational methods may be useful in conjunction with traditional methods. One is using legislative issues as a way of teaching about consumer credit, drugs and medicines, food packaging and processed foods and other subjects. Another is forming buying clubs which buy goods or services for members or arrange for discounts with local merchants in return for volume purchases. Another method is field trips so consumers can question lenders and sellers. But first, of course, they have to know some of the questions to ask. Comparison-shopping surveys also are very educational.

As you can see or may already know better than I, consumer education is not easy work at all. It is a new and developing field and has some sensitive, even controversial aspects. But if it's not easy work, it certainly is one of the most worthwhile and useful efforts a teacher or group worker can make on behalf of the public and national welfare. That's why your projects and the Consumers' Education Program are one of the most important consumer activities going on today.

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ABOUT THE AUTHOR

The "undisputed dean of consumer journalism," Sidney Margolius writes two syndicated columns a week reaching approximately 20 million readers. He is the author of 19 books, including the bestseller, "The Consumers Guide to Better Buying," which has gone through eight printings and sold close to a million copies. Four hundred of his articles have appeared in national magazines. He has served on the President's Consumer Advisory Council and as a consultant to several Federal agencies.

One of Mr. Margolius' colleagues recently wrote about him: "Throughout his literary career, he has remained a populist in the true sense of the word. He takes the mystery out of economics...so that the proverbial man in the street can understand it...He shares his wealth of information with others in the consumer movement and unselfishly encourages other authors to become involved in consumer journalism."

After attending the 1976 project directors' meeting, Mr. Margolius wrote that the Consumers' Education Program may well represent "the best money the government has ever spent in immediate and future returns."

A graduate of Rutgers University, he has worked for United Press and Fairchild Publications. In the 1940's, he was one of several leading journalists to serve as an editor of the experimental daily newspaper, "PM." He has received awards from numerous organizations including the National Press Club, the Family Service Association of America and the Consumer Federation of America.